GK/RETAIL FOR COOP

# Fit for the future thanks to standard software

The Retail Innovators

# Quickfacts

## About COOP Switzerland

Swiss retailer with around 1,900 stores in several different sectors

## The Challenge

Scalable central architecture, standard software to meet all the various sales channels' requirements, automated label printing

## The Project

Implementing a homogeneous system in all branch stores across all sectors

# Overview



*“We were looking for a modern and efficient standard software solution with which we could fully meet the requirements of all our different sales channels in one single system, without limitations for the future.”*

August Harder,
CIO Coop Switzerland

## Fit for the future thanks to standard software

**GK/Retail has enabled Swiss retailer Coop to introduce a homogeneous branch solution across all its business sectors, thus achieving lasting cost savings**

With over 1,900 stores nationwide, Coop is the second-largest retailer in Switzerland, and its eight different sales formats make Coop the country’s most diverse retail organization in terms of number of banners. Its success is founded on a finely meshed network of branches, excellent quality and a commitment to sustainability. In 2011, independent rating agency oekom research AG in Munich, Germany, declared Coop the ‘Most Sustainable Retailer in the World’. Coop is organized as a cooperative, and the foundation is made up of around 2,9 million members. The Coop Group comprises a wide variety of retail and wholesale companies; its retail activities range from classic food retail, DIY stores, lighting stores, jewelers and perfumeries right up to restaurants. In 2011, the Coop Group generated an annual turnover of CHF 27.7 billion.

# Solution



## From a patchwork approach to a universal solution

Over the years, different solutions had been implemented within Coop's various lines of business and adapted to the specific requirements of each particular sales channel. As a result, the central IT department was managing five different systems, some of which were already 12 years old. Hence, any company-wide changes involved each system being adapted individually. Above all, because of the age and architecture of the solutions, integrating the central SAP ERP system was a highly complex and time-consuming matter. Since Coop was working with so many different solutions, the company was unable to benefit from scheduled system improvements. Instead Coop had to specify any changes it required, which in turn incurred extra costs. Furthermore, the decentralized architecture meant that release changes were laborious and could only be carried out infrequently. In order to achieve lasting cost savings and to eliminate the software limitations on new implementations, Coop decided to invite tenders for a homogeneous system for all its business lines.

**Affordable, scalable, efficient**

Based on its experiences with its existing systems landscape, Coop defined the demands for a new, homogeneous replacement solution. In general terms, the company was looking for a uniform solution for all its sales channels which would be affordable, scalable, efficient and reliable. It was also particularly important that new functionalities would be quick and easy to implement.

Furthermore, Coop required the new solution to fulfil the following requirements:

- compatibility with Linux, Java and web technologies
- hosting of and connections with web services
- offline performance of checkouts
- highly automated installation process
- virtualization of the back office and database servers

Coop's objective was to achieve long-term cost savings, simplify support and generate significant benefits for its day-to-day operations.

# GK/Retail for Coop

After an intensive evaluation process, Coop chose the GK Software solution, not only because it met all of the defined requirements comfortably, but also since its open architecture would not restrict further developments in the future. The fact that GK/Retail is a modern, standard software solution already being widely used by a large number of clients – meaning that Coop would be able to benefit from future updates in response to other GK customers' needs – also played an important part in the decision.

Another decisive factor was the far-reaching integration of GK/Retail with central SAP systems. Thanks to GK/Retail's seamless interface with SAP, no additional data-conversion or data-consolidation solutions were required. GK/Retail also facilitated connections to other systems, such as the retailer's Passabene self-scanning solution, cash handling with iCash systems and scales with receipt printers.

**Integrated automatic label printing**

Due to its existing system's label-printing limitations and hence higher costs, Coop asked GK Software to develop a new, central labelling solution. The resulting solution – which has since become a GK/Retail standard solution – incorporated Coop's needs and its knowhow to produce a label-printing system based on the same principle as price changes at the checkouts. The solution enabled Coop to reduce its costs sustainably in this area too.

*“The use of GK/Retail has enabled us to achieve lasting costs savings for service and maintenance as well as implement an efficient central architecture concept.”*

August Harder,
CIO Coop Switzerland

## Successful roll-out

A thorough discussion of the requirements was followed by a step-by-step implementation for each individual business line. Seven months after the start of the project, the first pilot installations were up and running as scheduled. These were progressively followed by the implementation of the requirements for the remaining business lines and then the rollouts, which Coop handled itself. The roll-outs reached their peak in 2011 when more than 6,000 systems were installed within the space of a year. This marked the successful completion of the initial phase of the largest ever retail IT project in the German-speaking region.

The CIO of Coop, August Harder, who oversaw the entire project provides a positive summary. “We now have a highly parameterizable software architecture which guarantees us exceptional flexibility and extensive functionality. Using standard software has enabled us to achieve lasting cost savings and means that we will be able to implement innovations and new technological developments quickly in the future. GK Software has been a strong and reliable partner throughout the entire process.“

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